Study on sectors affected by rupee appreciation

125. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has conducted any study as to which sectors of industry in the country have suffered due to appreciation of Indian rupee *vis-a-vis* US dollar;

(b) if so, the details thereof; and

(c) the steps taken/proposed to be taken by Government to help the industry to tide over the crisis?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) Government has been receiving a number of representations from the exporters, industry associations, Chambers of Commerce and Industry and Export Promotions Councils from the beginning of last year regarding the difficulties being faced by them on account of rupee appreciation. While announcing relief measures in June 2007, Government also set up a Committee to assess job losses in the next 12 months due to rupee appreciation and loss of export orders. The Committee deliberated of the following: Economic Impact of Rupee Appreciation, Consequential Impact of Export Competitiveness, Loss of Export orders; Job loss in various sectors; and Suggest measures to maintain Indian export competitiveness. The Committee, after taking into account the various issues, recommended various relief measures, many of which have been accepted by the Government.

(c) There have been a number of steps taken to provide relief to the exporters to meet the adverse situation arising out of rupee appreciation: which include enhancement of Duty Entitlement Passbook Scheme (DEPB) rates, enhancement of Duty Drawback, reduction of ECGC premia rates, reduction of interest of pre and post shipment, credit, timely settlement of refund of terminal excise duty, central sales tax, deemed export duty drawback up to 30th June, 2007, making Exchange Earners Foreign Currency (EEFC) accounts interest bearing, exemption/refund of service tax with respect to some of the services related to exports, enhancement of assistance to exporters as also coverage of additional products under Vishesh Krishi and Gram Udyog Yojana and reduction of import duties on select textile materials.

Industries affected by rupee appreciation

1126. DR. MURLI MANOHAR JOSHI:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that external trade has been affected due to strengthening of rupee in comparison to US dollar in the year 2007;

(b) if so, the facts thereof;

(c) the industries of the country which have been adversely affected thereby; and

(d) the steps taken by Government to make this effect ineffective?

† Original notice of the question was received in Hindi